

106TH CONGRESS  
2D SESSION

# H. R. 4685

To amend the Federal Election Campaign Act of 1971 to reform the financing of campaigns for election for Federal office, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JUNE 15, 2000

Mr. SHAW introduced the following bill; which was referred to the Committee on House Administration

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## A BILL

To amend the Federal Election Campaign Act of 1971 to reform the financing of campaigns for election for Federal office, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Campaign Finance Im-  
5       provement Act of 2000”.

6       **SEC. 2. EXPANDING REPORTING REQUIREMENTS FOR CER-**  
7       **TAIN CONTRIBUTIONS.**

8       (a) REQUIRING REPORTING OF ALL CONTRIBUTIONS  
9       OF \$200 OR MORE WITHIN 10 DAYS OF RECEIPT.—Sec-  
10      tion 304 of the Federal Election Campaign Act of 1971

1 (2 U.S.C. 434) is amended by adding at the end the fol-  
2 lowing new subsection:

3 “(d)(1) Each political committee which receives a  
4 contribution of \$200 or more shall notify the Commission  
5 of the contribution not later than 10 days after receipt,  
6 and shall include the identification of the contributor, the  
7 date of receipt and amount of the contribution, and (in  
8 the case of an authorized committee of a candidate) the  
9 name of the candidate and the office sought by the can-  
10 didate.

11 “(2) The report required under this subsection shall  
12 be in addition to all other reports required under this  
13 Act.”.

14 (b) EXPANDING TYPES OF CONTRIBUTIONS TO PRIN-  
15 CIPAL CAMPAIGN COMMITTEES SUBJECT TO EXPEDITED  
16 REPORTING.—Section 304(a)(6)(A) of such Act (2 U.S.C.  
17 434(a)(6)(A)) is amended—

18 (1) by striking “\$1,000” and inserting “\$200”;

19 and

20 (2) by striking “20th day” and inserting “90th  
21 day”.

1 **SEC. 3. REQUIRING MAJORITY OF AMOUNT OF CONTRIBU-**  
2 **TIONS ACCEPTED BY CONGRESSIONAL CAN-**  
3 **DIDATES TO COME FROM IN-STATE RESI-**  
4 **DENTS.**

5 (a) IN GENERAL.—Section 315 of the Federal Elec-  
6 tion Campaign Act of 1971 (2 U.S.C. 441a) is amended  
7 by adding at the end the following new subsection:

8 “(i)(1) The total amount of contributions accepted  
9 with respect to an election by a candidate for the office  
10 of Senator or the office of Representative in, or Delegate  
11 or Resident Commissioner to, the Congress from in-State  
12 individual residents shall be at least 50 percent of the total  
13 amount of contributions accepted from all sources.

14 “(2) If a candidate in an election makes expenditures  
15 of personal funds (including contributions by the can-  
16 didate or the candidate’s spouse to the candidate’s author-  
17 ized campaign committee) in an amount in excess of  
18 \$250,000, paragraph (1) shall not apply with respect to  
19 any opponent of the candidate in the election.

20 “(3) In determining the amount of contributions ac-  
21 cepted by a candidate for purposes of paragraph (1), the  
22 amounts of any contributions made by a political com-  
23 mittee of a political party shall be allocated as follows:

24 “(A) 50 percent of such amounts shall be  
25 deemed to be contributions from in-State individual  
26 residents.

1           “(B) 50 percent of such amounts shall be  
2       deemed to be contributions from persons other than  
3       in-State individual residents.

4           “(4) As used in this subsection, the term ‘in-State  
5       individual resident’ means an individual who resides in the  
6       State in which the election involved is held.”.

7           (b) REPORTING REQUIREMENTS.—Section 304 of  
8       such Act (2 U.S.C. 434), as amended by section 2(a), is  
9       further amended by adding at the end the following new  
10      subsection:

11          “(e)(1) Each principal campaign committee of a can-  
12       didate for the Senate or the House of Representatives  
13       shall include the following information in the first report  
14       filed under subsection (a)(2) which covers the period  
15       which begins 19 days before an election and ends 20 days  
16       after the election:

17               “(A) The total contributions received by the  
18       committee with respect to the election involved from  
19       in-State individual residents (as defined in section  
20       315(i)(4)), as of the last day of the period covered  
21       by the report.

22               “(B) The total contributions received by the  
23       committee with respect to the election involved from  
24       all persons, as of the last day of the period covered  
25       by the report.

1       “(2)(A) Each principal campaign committee of a can-  
2 didate for the Senate or the House of Representatives  
3 shall submit a notification to the Commission of the first  
4 expenditure of personal funds (including contributions by  
5 the candidate or the candidate’s spouse to the committee)  
6 by which the aggregate amount of personal funds ex-  
7 pended (or contributed) with respect to the election ex-  
8 ceeds \$250,000.

9       “(B) Each notification under subparagraph (A)—

10           “(I) shall be submitted not later than 24 hours  
11 after the expenditure or contribution which is the  
12 subject of the notification is made; and

13           “(II) shall include the name of the candidate,  
14 the office sought by the candidate, and the date of  
15 the expenditure or contribution and amount of the  
16 expenditure or contribution involved.”.

17       (c) PENALTY FOR VIOLATION OF LIMITS.—Section  
18 309(d) of such Act (2 U.S.C. 437g(d)) is amended by add-  
19 ing at the end the following new paragraph:

20       “(4)(A) Any candidate who knowingly and willfully  
21 accepts contributions in excess of any limitation provided  
22 under section 315(i) shall be fined an amount equal to  
23 the greater of 200 percent of the amount accepted in ex-  
24 cess of the applicable limitation or (if applicable) the  
25 amount provided in paragraph (1)(A).

1 “(B) Interest shall be assessed against any portion  
 2 of a fine imposed under subparagraph (A) which remains  
 3 unpaid after the expiration of the 30-day period which be-  
 4 gins on the date the fine is imposed.”.

5 **SEC. 4. WAIVER OF “BEST EFFORTS” EXCEPTION FOR IN-**  
 6 **FORMATION ON IDENTIFICATION OF CON-**  
 7 **TRIBUTORS.**

8 Section 302(i) of the Federal Election Campaign Act  
 9 of 1971 (2 U.S.C. 432(i)) is amended—

10 (1) by striking “(i) When the treasurer” and  
 11 inserting “(i)(1) Except as provided in paragraph  
 12 (2), when the treasurer”; and

13 (2) by adding at the end the following new  
 14 paragraph:

15 “(2) Paragraph (1) shall not apply with respect to  
 16 information regarding the identification of any person who  
 17 makes a contribution or contributions aggregating more  
 18 than \$200 during a calendar year (as required to be pro-  
 19 vided under subsection (c)(3)).”.

20 **SEC. 5. LOWERING THRESHOLD FOR CASH CONTRIBU-**  
 21 **TIONS.**

22 Section 321 of the Federal Election Campaign Act  
 23 of 1971 (2 U.S.C. 441g) is amended by striking “exceed  
 24 \$100” and inserting “exceed \$20”.

1 **SEC. 6. CONTRIBUTIONS BY DEPENDENTS NOT OF VOTING**  
2 **AGE.**

3 Section 315(a) of the Federal Election Campaign Act  
4 of 1971 (2 U.S.C. 441a) is amended by adding at the end  
5 the following new paragraph:

6 “(9)(A) For purposes of the limitations imposed by  
7 this section, any contribution made by a dependent minor  
8 shall be treated as follows:

9 “(i) If the dependent minor is the dependent of  
10 one other individual, the contribution shall be treat-  
11 ed as a contribution made by such other individual.

12 “(ii) If the dependent minor is the dependent of  
13 another individual and such other individual’s  
14 spouse, the contribution shall be allocated among  
15 such individuals in such manner as such other indi-  
16 viduals may determine.

17 “(B) In this paragraph, the term ‘dependent minor’  
18 means an individual who—

19 “(i) is a dependent of another individual; and

20 “(ii) has not, as of the time of making the con-  
21 tribution involved, attained the legal age for voting  
22 in elections for Federal office in the State in which  
23 such individual resides.”.

1 **SEC. 7. PROHIBITING NON-CITIZEN INDIVIDUALS FROM**  
2 **MAKING CONTRIBUTIONS IN CONNECTION**  
3 **WITH FEDERAL ELECTIONS.**

4 Section 319(b)(2) of the Federal Election Campaign  
5 Act of 1971 (2 U.S.C. 441e(b)(2)) is amended by striking  
6 “and who is not lawfully admitted” and all that follows  
7 and inserting a period.

8 **SEC. 8. DISCLOSURE REQUIREMENTS FOR CERTAIN SOFT**  
9 **MONEY EXPENDITURES OF POLITICAL PAR-**  
10 **TIES.**

11 (a) TRANSFERS OF FUNDS BY NATIONAL POLITICAL  
12 PARTIES.—Section 304(b)(4) of the Federal Election  
13 Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

14 (1) by striking “and” at the end of subpara-  
15 graph (H);

16 (2) by adding “and” at the end of subpara-  
17 graph (I); and

18 (3) by adding at the end the following new sub-  
19 paragraph:

20 “(J) in the case of a political committee of  
21 a national political party, all funds transferred  
22 to any political committee of a State or local  
23 political party, without regard to whether or not  
24 the funds are otherwise treated as contributions  
25 or expenditures under this title;”.



1 (b) DISCLOSURE BY STATE POLITICAL PARTIES OF  
2 INFORMATION REPORTED UNDER STATE LAW.—Section  
3 304 of such Act (2 U.S.C. 434), as amended by sections  
4 2(a) and 3(b), is further amended by adding at the end  
5 the following new subsection:

6 “(f) If a political committee of a State political party  
7 is required under a State or local law, rule, or regulation  
8 to submit a report on its disbursements to an entity of  
9 the State or local government, the committee shall file a  
10 copy of the report with the Commission at the time it sub-  
11 mits the report to such an entity.”.

12 **SEC. 9. PROHIBITING INVOLUNTARY ASSESSMENT OF EM-**  
13 **PLOYEE FUNDS FOR POLITICAL ACTIVITIES.**

14 (a) IN GENERAL.—Section 316 of the Federal Elec-  
15 tion Campaign Act of 1971 (2 U.S.C. 441b) is amended  
16 by adding at the end the following new subsection:

17 “(c)(1) Except with the separate, prior, written, vol-  
18 untary authorization of each individual, it shall be  
19 unlawful—

20 “(A) for any national bank or corporation de-  
21 scribed in this section to collect from or assess its  
22 stockholders or employees any dues, initiation fee, or  
23 other payment as a condition of employment if any  
24 part of such dues, fee, or payment will be used for

1 political activity in which the national bank or cor-  
2 poration is engaged; and

3 “(B) for any labor organization described in  
4 this section to collect from or assess its members or  
5 nonmembers any dues, initiation fee, or other pay-  
6 ment if any part of such dues, fee, or payment will  
7 be used for political activity in which the labor orga-  
8 nization is engaged.

9 “(2) An authorization described in paragraph (1)  
10 shall remain in effect until revoked and may be revoked  
11 at any time. Each entity collecting from or assessing  
12 amounts from an individual with an authorization in effect  
13 under such paragraph shall provide the individual with a  
14 statement that the individual may at any time revoke the  
15 authorization.

16 “(3) For purposes of this subsection, the term ‘polit-  
17 ical activity’ means any activity carried out for the pur-  
18 pose of influencing (in whole or in part) any election for  
19 Federal office, influencing the consideration or outcome  
20 of any Federal legislation or the issuance or outcome of  
21 any Federal regulations, or educating individuals about  
22 candidates for election for Federal office or any Federal  
23 legislation, law, or regulations.”.

1 (b) EFFECTIVE DATE.—The amendment made by  
2 subsection (a) shall apply to amounts collected or assessed  
3 on or after the date of the enactment of this Act.

4 **SEC. 10. PROHIBITING AUTHORIZED COMMITTEES OF CAN-**  
5 **DIDATES FROM ACCEPTING CONTRIBUTIONS**  
6 **FROM AUTHORIZED COMMITTEES OF OTHER**  
7 **CANDIDATES.**

8 Section 315 of the Federal Election Campaign Act  
9 of 1971 (2 U.S.C. 441a), as amended by section 3(a), is  
10 amended by adding at the end the following new sub-  
11 section:

12 “(j)(1) Except as provided in paragraph (2), the au-  
13 thorized committee of a candidate for election for Federal  
14 office may not accept any contribution from an authorized  
15 committee of another candidate for election for Federal  
16 office.

17 “(2) Paragraph (1) does not apply to the transfer of  
18 funds between an authorized committee of a candidate for  
19 election for Federal office and an authorized committee  
20 of the same candidate for election for another Federal of-  
21 fice.”.

22 **SEC. 11. REQUIRING FEC TO MAKE SOFTWARE AVAILABLE**  
23 **FOR ELECTRONIC FILING.**

24 Section 311(a) of the Federal Election Campaign Act  
25 of 1971 (2 U.S.C. 438(a)) is amended—

1           (1) by striking “and” at the end of paragraph  
2           (9);

3           (2) by striking the period at the end of para-  
4           graph (10) and inserting “; and”; and

5           (3) by adding at the end the following new  
6           paragraph:

7           “(11) through competitive bidding, obtain and  
8           provide for computer software required to carry out  
9           the electronic filing of designations, statements, and  
10          reports under this Act.”.

11 **SEC. 12. EFFECTIVE DATE.**

12          Except as otherwise provided, the amendments made  
13 by this Act shall apply with respect to elections and trans-  
14 actions occurring after December 31, 2000.

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